

LEGISLATURE OF NEBRASKA  
NINETY-EIGHTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1034**

Introduced by Landis, 46

Read first time January 13, 2004

Committee: Revenue

A BILL

- 1 FOR AN ACT relating to revenue and taxation; to amend section
- 2 77-2101.03, Reissue Revised Statutes of Nebraska; to
- 3 change the estate tax rate; to repeal the original
- 4 section; and to declare an emergency.
- 5 Be it enacted by the people of the State of Nebraska,

1                   Section 1. Section 77-2101.03, Reissue Revised Statutes  
2 of Nebraska, is amended to read:

3                   77-2101.03. (1) For decedents dying on or after January  
4 1, 2003, and before July 1, 2003, the tax on the Nebraska taxable  
5 estate shall be the greater of the maximum state tax credit  
6 allowance upon the tax imposed under Chapter 11 of the Internal  
7 Revenue Code or the amount provided in the following table:

Nebraska taxable estate		Of Excess			
At least	But less than	Tax =	+	%	Over
\$ 0	\$ 40,000	\$ 0	0		\$ 0
40,000	90,000	0	.8		40,000
90,000	140,000	400	1.6		90,000
140,000	240,000	1,200	2.4		140,000
240,000	440,000	3,600	3.2		240,000
440,000	640,000	10,000	4		440,000
640,000	840,000	18,000	4.8		640,000
840,000	1,040,000	27,600	5.6		840,000
1,040,000	1,540,000	38,800	6.4		1,040,000
1,540,000	2,040,000	70,800	7.2		1,540,000
2,040,000	2,540,000	106,800	8		2,040,000
2,540,000	3,040,000	146,800	8.8		2,540,000
3,040,000	3,540,000	190,800	9.6		3,040,000
3,540,000	4,040,000	238,800	10.4		3,540,000
4,040,000	5,040,000	290,800	11.2		4,040,000
5,040,000	6,040,000	402,800	12		5,040,000
6,040,000	7,040,000	522,800	12.8		6,040,000
7,040,000	8,040,000	650,800	13.6		7,040,000
8,040,000	9,040,000	786,800	14.4		8,040,000

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1        9,040,000        10,040,000        930,800        15.2        9,040,000

2        10,040,000                                1,082,800        16        10,040,000

3                    (2) For decedents dying on or after July 1, 2003, the  
 4 following table shall be used to determine the tax on the Nebraska  
 5 taxable estate tax on the Nebraska taxable estate shall be the  
 6 greater of the maximum state tax credit allowance upon the tax  
 7 imposed under Chapter 11 of the Internal Revenue Code or the amount  
 8 provided in the following table:

Nebraska taxable estate		Of Excess			
At least	But less than	Tax =	+	%	Over
\$ 0	\$ 100,000	\$ 0		41	\$ 0
100,000	500,000	41,000		6.4	100,000
500,000	1,000,000	66,600		7.2	500,000
1,000,000	1,500,000	102,600		8	1,000,000
1,500,000	2,000,000	142,600		8.8	1,500,000
2,000,000	2,500,000	186,600		9.6	2,000,000
2,500,000	3,000,000	234,600		10.4	2,500,000
3,000,000	4,000,000	286,600		11.2	3,000,000
4,000,000	5,000,000	398,600		12	4,000,000
5,000,000	6,000,000	518,600		12.8	5,000,000
6,000,000	7,000,000	646,600		13.6	6,000,000
7,000,000	8,000,000	782,600		14.4	7,000,000
8,000,000	9,000,000	926,600		15.2	8,000,000
9,000,000		1,078,600		16	9,000,000
\$ 0	\$ 100,000	\$ 0		5.6	\$ 0
100,000	500,000	5,600		6.4	100,000
500,000	1,000,000	31,200		7.2	500,000
1,000,000	1,500,000	67,200		8	1,000,000

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1	<u>1,500,000</u>	<u>2,000,000</u>	<u>107,200</u>	<u>8.8</u>	<u>1,500,000</u>
2	<u>2,000,000</u>	<u>2,500,000</u>	<u>151,200</u>	<u>9.6</u>	<u>2,000,000</u>
3	<u>2,500,000</u>	<u>3,000,000</u>	<u>199,200</u>	<u>10.4</u>	<u>2,500,000</u>
4	<u>3,000,000</u>	<u>3,500,000</u>	<u>251,200</u>	<u>11.2</u>	<u>3,000,000</u>
5	<u>3,500,000</u>	<u>4,000,000</u>	<u>307,200</u>	<u>12</u>	<u>3,500,000</u>
6	<u>4,000,000</u>	<u>5,000,000</u>	<u>367,200</u>	<u>12.8</u>	<u>4,000,000</u>
7	<u>5,000,000</u>	<u>6,000,000</u>	<u>495,200</u>	<u>13.6</u>	<u>5,000,000</u>
8	<u>6,000,000</u>	<u>7,000,000</u>	<u>631,200</u>	<u>14.4</u>	<u>6,000,000</u>
9	<u>7,000,000</u>	<u>8,000,000</u>	<u>775,200</u>	<u>15.2</u>	<u>7,000,000</u>
10	<u>8,000,000</u>	<u>9,000,000</u>	<u>927,200</u>	<u>16</u>	<u>8,000,000</u>
11	<u>9,000,000</u>		<u>1,087,200</u>	<u>16.8</u>	<u>9,000,000</u>

12                   (3) Taxable generation-skipping transfers shall be taxed  
 13 at a rate of sixteen percent of the Nebraska taxable transfer.

14                   Sec. 2. Original section 77-2101.03, Reissue Revised  
 15 Statutes of Nebraska, is repealed.

16                   Sec. 3. Since an emergency exists, this act takes effect  
 17 when passed and approved according to law.